



**MONTH-TO-MONTH AGREEMENT
11760**

Between

GRAND TRUNK WESTERN RAILROAD COMPANY

and

THE STATE OF MICHIGAN

This Month-To-Month Agreement ("Agreement") is entered into by and between the STATE OF MICHIGAN, by its DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET on behalf of the MICHIGAN LAND BANK FAST TRACK AUTHORITY ("Landlord"), whose address is DTMB, Real Estate Division, General Office Building, 7150 Harris Drive, Third Floor, Wing B, Dimondale, MI 48821 and GRAND TRUNK WESTERN RAILROAD COMPANY, a foreign for-profit corporation ("Tenant"), whose address is 17641 South Ashland Avenue, Homewood, Illinois 60430, and establishes the following terms, conditions, performance obligations, and covenants between the parties

WITNESSETH:

The parties, for the considerations herein mentioned, agree as follows:

1. **DESCRIPTION OF THE PREMISES:** Landlord hereby rents to Tenant approximately 23.94 acres of Landlord's property formerly known as the Michigan State Fairgrounds ("the Premises") along with ingress/ egress thereto via either of two Eight Mile Road gates or via another route as the parties may subsequently agree is useful for Tenant's safe and efficient ingress/egress to the Premises. The Premises are located at 1120 West State Fair Avenue, Detroit, Michigan and are more specifically described and illustrated in Attachment A to this Agreement.
2. **PURPOSE OF THIS AGREEMENT:** Tenant covenants that the Premises are to be used by the Tenant exclusively for the purposes of loading, unloading and parking/storing motor freight containers (also known as "tractor-trailers" or simply "containers") and trucks to haul them. Tenant shall keep all containers and motor vehicles on the premises fully operable but securely locked when not in use. Parked containers and motor vehicles shall be parked in orderly rows and Tenant shall maintain orderly and safe driving lanes large enough to accommodate motor freight container traffic around those rows at all times. Tenant further covenants that its containers and trucks shall be kept at a weight limit suitable for and supportable by the existing ground surfaces of the Leased Premises. Tenant further covenants that its use of the Premises shall, at no time, interfere with the operations of Landlord at the Premises. Landlord and Landlord's agents and employees shall have the right at all reasonable times to enter the Premises for the purposes of making any inspections, repairs, additions, or alterations thereto as may be deemed appropriate by Landlord.
3. **CONDITION OF PREMISES:** Tenant represents and warrants that Tenant has examined the Premises and that they are at the time of this Agreement in good order. Tenant represents that it is taking possession of the Premises in their "as is" condition.

4. **TERM:** The term of this Agreement is month-to month beginning February 1, 2015 and ending no later than January 31, 2016, subject to the cancellation provisions of this Agreement.
5. **RENT:** Tenant shall pay to Landlord rent at the rate of Seventeen Thousand, Nine Hundred, Fifty -Five and 00/100 Dollars (\$17,955.00) per calendar month for the term of this agreement with any partial month's rent pro-rated accordingly. Rent shall be due in advance by the 1st day of each calendar month during the term of this Agreement. Rent shall be made payable to the "State of Michigan" and shall be mailed as follows, Attention: Director, Planning and Administrative Services Michigan Department of Technology, Management and Budget, Financial Services, P.O. Box 30681, Lansing, Michigan 48909-8181, or to such other address as Landlord may from time to time designate.

5.1 If at any time Tenant vacates the Premises prior to the expiration of the Agreement and has failed to give proper notice pursuant to Section 15, Tenant will be responsible for all rental payments until the expiration of the Agreement.

5.2 In the event that Tenant fails to make a required payment under this Agreement by the due date, Tenant shall pay to Landlord, in addition to such payment or other charges due hereunder, a "late fee" in the amount of Five Hundred 00/100 Dollars (\$500.00).

6. **SERVICES BY THE LANDLORD:** The Landlord shall furnish to the Tenant the following to a usual and customary standard of due diligence:

6.1 Lighting of the Premises to the extent lighting is available at the start date of this Agreement.

7. **SERVICES AND RESPONSIBILITIES OF THE TENANT:** Tenant shall furnish the following at its own expense:

7.1 Snow and ice removal from the Property in compliance with local ordinances and as needed to conduct Lessee's activities and operations permitted by this Agreement in a safe and prudent manner.

7.2 Grounds maintenance including filling of potholes in all parking areas and drives and repair and maintenance of all fences and gates on the Premises in a good and workman-like manner as needed for their safe and effective use by Tenant and tenant's authorized personnel. Tenant shall consult with Landlord's Facility Manager prior to undertaking any such repairs and maintenance.

7.3 Removal of trash and refuse from the Premises at least weekly.

7.4 Tenant shall remove all of its motor vehicles and its other personal property from the Premises by the end date of this Agreement.

7.5 Tenant and Tenant's personnel shall comply with all security procedures and policies of Landlord at the Premises, as advised and directed by Landlord. These include, but are not necessarily limited to the following:

A. Tenant shall promptly report any apparent crime, disturbance of the peace or emergency at the Premises by calling the Michigan Department of Technology, Management and Budget Central Control Office at 517-373-0190. The Central Control Office is open 24/7/365. Similarly, Tenant shall also promptly contact the City of Detroit Police Department to report any apparent crime, disturbance of

the peace or emergency at the Premises.

B. Tenant's authorized personnel and agents shall all carry a valid photo I.D. while on the leased premises and shall produce said photo I.D. for on-site inspection by authorized DTMB employees or their hired security guards on request. Prior to the start of this Agreement, Tenant shall supply Landlord with a written list of all Tenant's personnel that may be admitted to the Premises. Tenant shall provide written and timely updates to that list for Landlord as needed. Tenant's failure to provide or update the admittance list in a timely manner may impede or terminate access rights granted under this Agreement.

C. Tenant's authorized motor vehicles shall also all display an 8.5 inch by 11 inch pass which is uniform and plainly visible from outside each vehicle's front window. Said pass shall serve as evidence the vehicle is authorized to be on the Leased Premises. Tenant shall design the pass and submit it for Landlord's approval prior to driving any of Tenant's vehicles on the Leased Premises. Landlord shall not unreasonably withhold or delay approval of Tenant's vehicle pass design.

7.6 Provision of 24/7 security services on site as Landlord and Tenant may agree are reasonable and necessary. Any security services retained by Tenant must be approved in advance by the Security & Emergency Management office of the Michigan Department of Technology Management and Budget (DTMB). Tenant hereby acknowledges and agrees that Landlord does not provide any specific security or protection service for any of Tenant's personnel or property under this Agreement.

7.7 Tenant may site a portable office structure, a portable toilet and/or a portable gate house on the Premises as may be needed to help manage its truck parking operations and accommodate its staff, at Tenant's sole expense including the costs of providing utilities telecommunications and other services to those structures. All such structures and their precise placement on the Premises must be approved in writing by Landlord prior to placement on the Premises, but approval shall not be unreasonably withheld or delayed. Tenant shall keep any such structures reasonably clean, secure and sanitary and shall remove them by the end date of this Agreement unless Landlord and Tenant agree otherwise in writing.

7.8 Tenant shall mark the perimeter of the leased Premises on the ground using concrete "Jersey" barriers, soil-filled drums, temporary fencing or other physical objects that are mutually acceptable in construction, appearance and spacing to Landlord and Tenant within ten (10) days following the start date of this agreement. Tenant may use any of Landlord's unused "Jersey" barriers already on the Leased Premises for that purpose. Tenant shall remove its own perimeter marking objects within the last ten (10) days of the end date of this Agreement.

8. **ASSIGNMENT AND SUBLETTING:** Tenant shall neither assign nor sublet the Premises without the advance written consent of the Landlord, other than in the normal course of allowing Tenant's employees and guests to park motor vehicles at the Premises. Landlord may unilaterally assign its interests in this Agreement to any subsequent owner of the premises at any time. Landlord shall notify Tenant of any such change of ownership and assignment and shall provide name and mailing address contact information for the new Landlord, pursuant to the "Notices" provision of this Agreement, no later than ten (10) business days after completing such action.
9. **ALTERATIONS:** No alterations, modifications, or improvements shall be made to the Premises without the written consent of the Landlord. At the expiration of the Agreement, all such alterations, modifications, and improvements to the Premises shall become the property of the Landlord unless otherwise agreed in writing or the Tenant acquires fee title to the Premises.

10. **CODES AND PERMITS:** Tenant shall comply with all applicable codes and obtain any necessary permits in connection with its use of the Premises.
11. **DAMAGE:** Tenant shall be liable for any damage to Premises caused by sole action of the Tenant or Tenant's employees or by any casualty insured under the Tenant's insurance policy, less reasonable wear and tear or damage by the elements.
12. **ENVIRONMENTAL:** The Landlord and Tenant mutually agree that they shall not release on, in, or below the Premises gasoline, motor oil, other motor vehicle operating fluids or any hazardous substance. The Tenant assumes responsibility to the extent provided by law, for a release or threatened release of said substances by the Tenant. The Landlord shall not indemnify or defend the Tenant if the release or threatened release is caused solely by the Tenant.

12.1 Tenant hereby acknowledges and understands that the Leased Premises are considered a contaminated or potentially contaminated site. A Phase I Environmental Status Assessment Report was recently completed on Landlord's behalf and a single copy of that complete report in PDF form is available to Tenant on written request. Tenant hereby further acknowledges and understands that if Landlord deems it necessary to issue an update to said Phase I Environmental Status Assessment Report as the direct or indirect result of Tenant's use of the Leased Premises, then Tenant shall reimburse Landlord for the cost of completing that update in an amount not to exceed Five Thousand and 00/100 Dollars (\$5,000.00) which shall be due and payable by Tenant within thirty (30) days of being billed for same by Landlord. Tenant shall be entitled to receive a single copy of said report update in PDF form on written request to Landlord.

13. **INDEMNIFICATION AND LIABILITY INSURANCE:** Tenant hereby expressly agrees to hold harmless, defend, and indemnify the Landlord, its agents and employees, from and against any and all claims, costs, losses, suits, demands, actions, liabilities, damages, causes of actions or judgments which may in any manner be imposed on or incurred by the State, its agents and employees, for any bodily injury, loss of life, and/or damage to property, including the State's agents, employees, and property, resulting from or arising out of Tenant's use of the Premises.

The Tenant shall, at Tenant's expense, during the term of this Agreement, insure the premises with general liability insurance naming the State, its several departments, boards, agencies, commissions, officers, and employees, as an additional insured and which protects against all claims, demands, actions, suits, or causes of action, and judgments, settlements or recoveries, for bodily injury or property damage arising out of a condition of the Premises. The Tenant agrees to maintain minimum policy limits in the amount of \$500,000.00 per occurrence for property damage and \$1,000,000.00 per occurrence for bodily injury, with a \$2,000,000.00 aggregate. The Tenant shall provide the State with a certificate of insurance, naming the State, its several departments, boards, agencies, commissions, officers, and employees as an additional insured party, prior to the start date of this within ten (10) calendar days following execution and delivery of this Agreement to Tenant. This provision shall not apply to liability for damages arising out of bodily injury to any person or damage to property of others resulting from the sole negligence of the State, its several departments, boards, agencies, commissions, officers and employees. The policy insurance shall provide that it may not be modified, cancelled, or allowed to expire without thirty (30) days prior written notice given to the State or the additional insured.

14. **NON-DISCRIMINATION:** Tenant shall comply with the Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2101 et seq. the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq., and all other federal, state and local fair employment practices and equal opportunity laws and covenants that it shall not discriminate against any employee or applicant for employment, to be employed in the performance of this real estate

contract, with respect to his or her hire, tenure, terms, conditions, or privileges of employment, or any matter directly or indirectly related to employment, because of his or her race, religion, color, national origin, age, sex, height, weight, marital status, or physical or mental disability that is unrelated to the individual's ability to perform the duties of a particular job or position. The Tenant agrees to include in every subcontract entered into for the performance of this real estate contract this covenant not to discriminate in employment. A breach of this covenant is a material breach of this real estate contract.

15. **CANCELLATION RIGHTS:** This Agreement may be cancelled by the Tenant or the Landlord upon thirty (30) days written notice to the other party delivered either in person or by certified mail, return receipt requested, to the other party's address as set forth under the "Notices" Section of this Agreement or to such other address as either party may designate, from time to time, in writing for the delivery of notices under this Agreement. The following contingency provisions may also apply:

15.1 If at any time the Tenant vacates the Premises prior to the expiration of the Agreement, the Tenant will be responsible for all rental payments, repairs above and beyond normal wear and tear, until and including the date of the Agreement cancellation.

15.2 If this Agreement shall be canceled pursuant to the provisions of this Section, Tenant shall surrender possession of the Premises within forty-five (45) days of the date of cancellation. Upon cancellation of this Agreement as provided in this Section, Tenant shall surrender possession of the Premises in the same condition as when delivered to the Tenant, reasonable wear and tear excepted.

16. **QUIET ENJOYMENT:** Tenant, upon payment of the aforementioned rent and compliance with the terms and conditions outlined herein, may peacefully and quietly have, hold, and enjoy the Premises for the purposes permitted under this Agreement.

17. **NOTICES:** Any formal notice due to the Landlord or to the Tenant shall be complete if submitted in writing and transmitted by certified or registered mail return receipt requested. Unless changed by the Landlord or Tenant, formal written notices to each party respectively shall be transmitted as follows:

Tenant	Landlord
Attn: Mr. Michael Matteucci Law Department Grand Trunk Western Railroad Company 17641 S. Ashland Avenue Homewood, Illinois 60430	Director Real Estate Division Michigan Dept. of Technology, Management & Budget <u>For U.S.P.S. Delivery:</u> P.O. Box 30026 Lansing, MI 48909 <u>For Private Carrier Delivery:</u> 3rd Floor B Wing, General Office Building 7150 Harris Drive Dimondale, Michigan 48821

Notices either issued or received shall be deemed effective as of 12:00 noon Lansing, Michigan time on the third business day following the date of mailing. Business day is defined as any day other than a Saturday, Sunday, legal holiday, or day preceding a legal holiday. A receipt from a U.S. Postal Service, or successor agency, performing such function shall be conclusive evidence of the date of mailing.

18. **MISCELLANEOUS PROVISIONS:**

- 18.1. **GOVERNING LAW:** This Agreement shall be governed by and interpreted in accordance with the laws of the State of Michigan.
- 18.2. **MUTUAL DRAFTING:** The Agreement shall be interpreted and construed as drafted mutually by all parties.
- 18.3. **ENTIRE AGREEMENT AND ENCLOSURES:** This Agreement, with all Attachments as listed herein, constitutes the entire agreement between the parties with regard to this transaction and may be amended only in writing.
- 18.4. **SEVERABILITY:** Should any provision of this Agreement or any addenda thereto be found to be illegal or otherwise unenforceable by a court of law, such provision shall be severed from the remainder of the Agreement, and such action shall not affect the enforceability of the remaining provisions of the Agreement.
- 18.5. **WAIVER:** Failure to enforce any term of this Agreement shall not be deemed a waiver of the enforcement of that or any other term of this Agreement.
- 18.6. **EFFECTIVE DATE:** The effective date of this Agreement shall be the date of the last signature executing this Agreement.
- 18.7. **BINDING EFFECT:** This Agreement shall be binding upon and to the benefit of the heirs, executors, administrators and assigns of the Landlord and Tenant.
- 18.8. **REQUIRED APPROVALS:** This Agreement shall not be binding or effective on either party until approved by the Landlord and the Tenant.

19. **ATTACHMENT(S):**


Attachment A: Illustration and description of the Premises subject to this Agreement (Three pages).

THIS SPACE INTENTIONALLY LEFT BLANK

GRAND TRUNK WESTERN RAILROAD COMPANY

IN WITNESS WHEREOF, the parties to this Lease subscribe their names on the date set forth below:

Tenant:

 Date: 10-22-2014
Signature

Print Name: Arthur L. Spiros
Title: Manager Land Sales & Strategic Projects

State of Illinois, County of Cook.


The foregoing instrument was acknowledged before me on this 22nd day of October, 2014, by Arthur L. Spiros

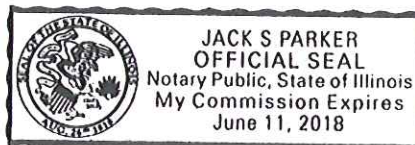
Type or print name(s) of person(s) signing this document

the Manager Land Sales & Strategic Projects for Grand Trunk Western Railroad Company, a Michigan Corporation.

Jack S. Parker, Notary Public in the County of Cook. Acting in the County of Cook.

State of Illinois. My commission expires June 11, 2018.

 10-22-2014



MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT & BUDGET

IN WITNESS WHEREOF, the parties to this Agreement subscribe their names on the date set forth below:

Landlord:

R. Burns Date: 11/24/14
Signature

Robert M. Burns, Director
Real Estate Division

State of Michigan, County of Eaton

The foregoing instrument was acknowledged before me on this 24th day of November, 2014, by Robert M. Burns, Director of the Real Estate Division of the Michigan Department of Technology, Management & Budget.

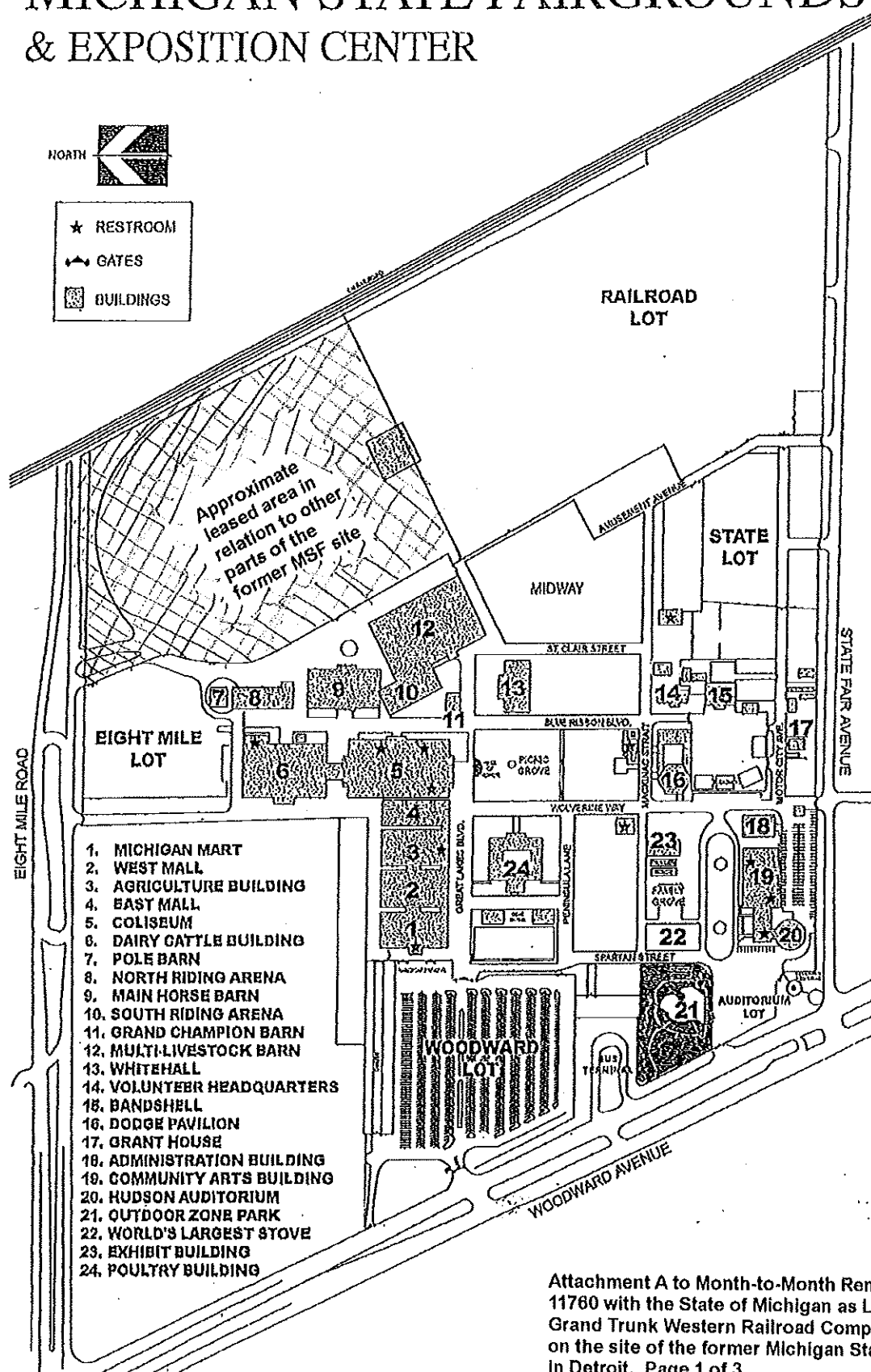
Leasa L. Sanchez, Notary Public in the County of Ingham

Acting in the County of Eaton, State of Michigan.

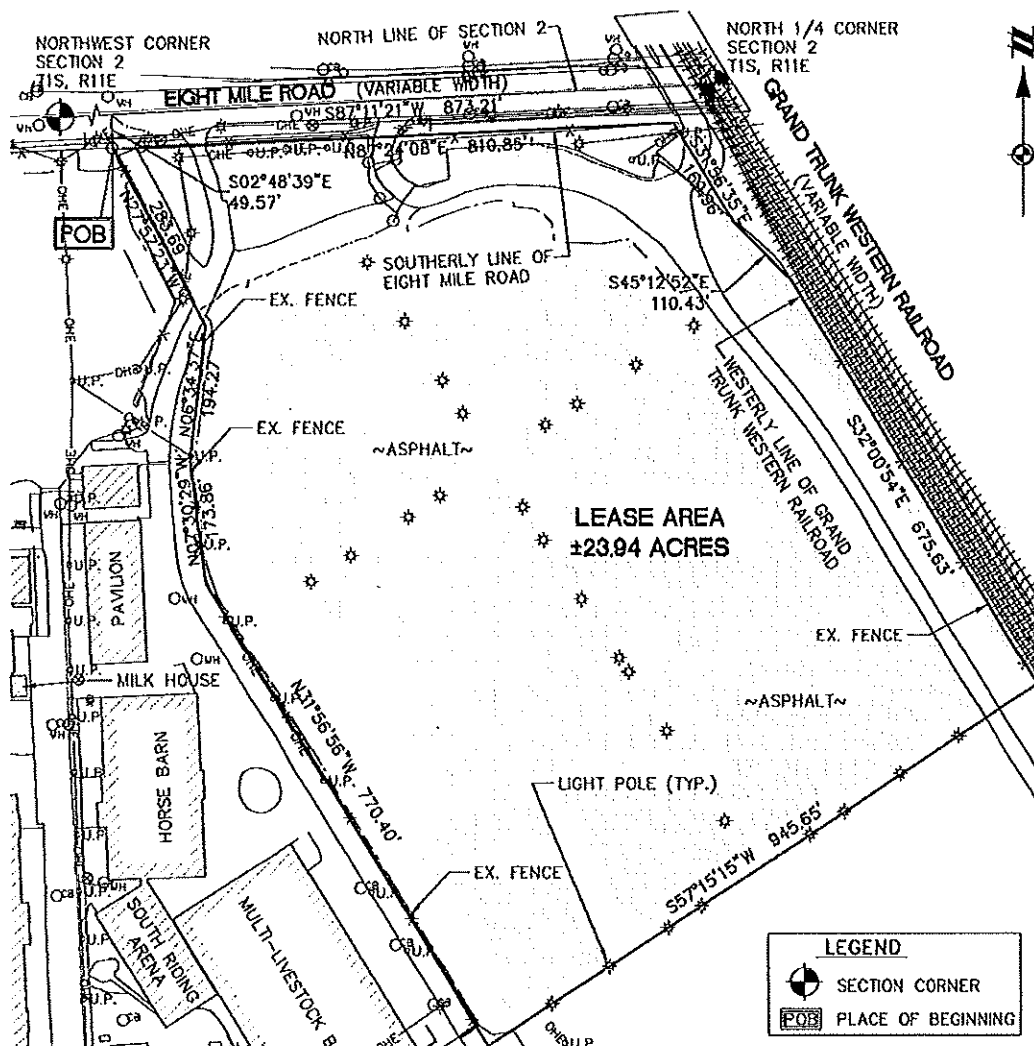
My commission expires 7/30/2019.



MICHIGAN STATE FAIRGROUNDS & EXPOSITION CENTER



Attachment A to Month-to-Month Rental Agreement 11760 with the State of Michigan as Landlord and Grand Trunk Western Railroad Company as Tenant on the site of the former Michigan State Fairgrounds in Detroit. Page 1 of 3



PART OF TAX PARCEL NO.: PT Word 1 Item No. 9845, Word 01; Item No.009845, Word 24; Item No. 000155
 BEARING BASE: MICHIGAN STATE PLANE GRID VALUES, SOUTH ZONE, NAD83 DATUM, INTERNATIONAL FEET
 DESCRIPTION OF A 23.94 ACRE LEASE AREA LOCATED IN SECTION 2, T1S, R11E, CITY OF DETROIT, WAYNE COUNTY, MICHIGAN

Commencing at the North 1/4 corner of Section 2, T1S, R11E, City of Detroit, Wayne County, Michigan; thence S87°11'21"W 873.21 feet along the North line of said Section 2, lying in Eight Mile Road (Variable Width); thence S02°48'39"E 49.57 feet for a PLACE OF BEGINNING; thence N87°24'08"E 810.85 feet along the Southerly line of said Eight Mile Road; thence the following three (3) courses along the Westerly line of Grand Trunk Western Railroad (Variable Width), S31°56'35"E 169.96 feet, S45°12'52"E 110.43 feet and S32°00'54"E 675.63 feet; thence S57°15'15"W 945.65 feet; thence N31°56'56"W 770.40 feet; thence N07°30'29"W 173.86 feet; thence N08°34'37"E 194.27 feet; thence N27°57'23"W 283.69 feet to the Place of Beginning, containing 23.94 acres, more or less.

CLIENT LEE & ASSOCIATES SKETCH AND DESCRIPTION OF A ±23.94 ACRE LEASE AREA LOCATED IN SECTION 2 TOWN 1 SOUTH, RANGE 11 EAST CITY OF DETROIT WAYNE COUNTY, MICHIGAN SCALE: 1 INCH = 200 FEET	JOB: 14000158	CAD 14000158EA-01
	DR. CK	CH. ME
	BOOK XX	PG. XX
	SHEET 01 OF 01	DATE: 01-27-14
	FILE CODE: EA-01 LEASE AREA	



Attachment A to Month-to-Month Rental Agreement 11760 with the State of Michigan as Landlord and Grand Trunk Western Railroad Company as Tenant on the site of the former Michigan State Fairgrounds In Detroit. Page 2 of 3

DESCRIPTION OF A 23.94 ACRE LEASE AREA LOCATED IN SECTION 2, T1S, R11E,
CITY OF DETROIT, WAYNE COUNTY, MICHIGAN

Commencing at the North 1/4 corner of Section 2, T1S, R11E, City of Detroit, Wayne County, Michigan; thence S87°11'21"W 873.21 feet along the North line of said Section 2, lying in Eight Mile Road (Variable Width); thence S02°48'39"E 49.57 feet for a PLACE OF BEGINNING; thence N87°24'08"E 810.85 feet along the Southerly line of said Eight Mile Road; thence the following three (3) courses along the Westerly line of Grand Trunk Western Railroad (Variable Width), S31°56'35"E 169.96 feet, S45°12'52"E 110.43 feet and S32°00'54"E 675.63 feet; thence S57°15'15"W 945.65 feet; thence N31°56'56"W 770.40 feet; thence N07°30'29"W 173.86 feet; thence N06°34'37"E 194.27 feet; thence N27°57'23"W 283.69 feet to the Place of Beginning, containing 23.94 acres, more or less.